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DE RUEHKT #1299/01 1431207 ZNY CCCCC ZZH O 231207Z MAY 06 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 1551 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 4386 RUEHLM/AMEMBASSY COLOMBO PRIORITY 4642 RUEHKA/AMEMBASSY DHAKA PRIORITY 9746 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2626 RUEHLO/AMEMBASSY LONDON PRIORITY 4039 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 9771 RUEHKO/AMEMBASSY TOKYO PRIORITY 0903 RHEFDIA/DIA WASHDC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L KATHMANDU 001299

SIPDIS

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TAGS: PTER PGOV NP

SUBJECT: MAOISTS ATTEMPT TO RAISE PROFILE, BUT GET PUSHBACK

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b,d).

Summary

11. (U) Maoists continued to raise their profile by organizing mass gatherings throughout the country, bombing the house of a Nepali Congress party member, recruiting new fighters, and extorting businesses. Businessmen in central Bara District pushed back, and threatened to close their businesses if the Maoists did not enter into dialogue with them. Media were also becoming more critical of Maoist actions, with an editorial in a leading daily noting that the Maoists would have won much more public support if they had stopped threatening to raise arms again. End Summary.

Maoists Out and About...

12. (U) The Maoists continued to be active despite the ongoing cease-fire. A vernacular daily reported on May 22 that thousands of armed Maoists were gathering on the outskirts of Kathmandu to provide security for mass meetings they were holding in each neighboring district, including Kavre, Ramechap and Makwanpur. Maoists have scheduled a mass meeting in Kathmandu for June 2.

...Bombing Political Party Members

¶3. (U) Despite an ongoing cease-fire, Maoist cadre detonated bombs on May 22 at the house of Jogendra Sahani, Nepali Congress District Committee member, in the central terai Tautahat District, injuring Sahani's wife. Sahani was not at home when the Maoists attacked. Maoists also badly beat up five members of Sahani's family before abducting his two sons. The Maoists took responsibility for the action, explaining that they were planning a rally about 100 meters from the house, but Sahani was "spying against them." Local human rights organizations and political parties condemned the Maoist bombing and abduction.

...Recruiting

14. (U) The Maoists intensified recruitment into their people's liberation army (PLA). A vernacular newspaper reported on May 22 that Maoists in far-west Banke District had openly advertised positions in the PLA. A Maoist worker there was telling locals that those who enrolled in the PLA would eventually get a job in the Nepalese Army.

... and Extorting

15. (U) Dozens of industries in the central terai industrial city of Birgunj, Bara District, shut down operations from May 19 to May 21 in response to Maoist extortion and intimidation. "Cadres enter the factory premises forcefully, organize mass meetings and even manhandle company officials," explained Sushil Mittal, Vice President of the Birgunj Chamber of Industries. The Maoist-affiliated All Nepal Federation of Trade Unions (ANFTU), embarrassed by the industries' move, issued a statement denying that they were forcing businesses to pay extortion money or were involved in threatening industrialists. Industries restarted on May 22, as ANFTU and industries entered into talks. Finance Minister Dr. Ram Sharan Mahat told the media that the government was concerned about the current environment in the industrial sector, and worried that continued extortion could "cast a shadow" over upcoming government talks with the Maoists.

Media Weary Of Maoists

16. (U) The media were increasingly critical of the daily barrage of Maoist incidents. The lead editorial of the May 22 English language daily, the Kathmandu Post, noted that "the Maoists are finding it difficult to own the people's victory," and that "the confusion in the Maoists is seen in their contradictory statements in mass meetings around the country, and unabated extortion." It concluded that the Maoists would have won much more public support if they had stopped threatening to raise their arms again. However, "despite the bloody past, the people are still in a mood to forgive them." In an editorial the same day, the English language daily, the Himalayan Times, noted "both the political leaders and the Maoists will have to prove their trustworthiness." It urged "all political exercises" to fulfill the goals of the people's movement - "to create a sound, solid, cohesive and all-inclusive nation."

Comment

17. (C) Maoist intimidation and violence are souring the euphoria that gripped Nepal after the people's movement toppled King Gyanendra's autocracy. Media scrutiny of Maoist abuses - a welcome development in Post's view - continues to remind Nepalis of the large threat the insurgents pose for Nepal's future peace and stability. MORIARTY